Withdrawal of tax exemption on leasing of aircrafts

2091. SMT N. P. DURGA. Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have made any assessment of the possible impact of withdrawal of tax exemption for companies leasing new aircraft;

(b) the details of loss that has to be borne by the IA and AI on leasing out their aircraft to others; and

(c) what would be the implication of this move in the next five years of IA and AI?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir. The provisions in the Financial Bill relating to withdrawal of Income Tax exemption on payment of lease rentals of aircraft/aircraft engine will pose additional financial burden on airlines seeking to lease aircraft. The extent of additional financial burden will depend on the number of aircraft leased

(b) and (c) The proposed withdrawal of tax exemption is on lease rental payments to foreign lessors on lease in of aircraft by airlines. The proposal is not applicable for leasing out of aircraft. There is no implication on Indian Airlines or Air India on this count as they have no proposal to lease out their aircraft to others.

Hurdles in privatisation of Delhi and Mumbai airports

2092. SHRI LALIT SURI:
SHRI KARNENDU BHATTACHARJEE:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Mumbai and Delhi airports are proposed to be privatised;

(b) if so, the time-frame stipulated therefor;

(c) whether employee unions or other interests are causing hurdles in the process of privatisation of these airports; and

(d) if so, the details thereof and what alternate ways are being considered for the development of these airports so as to bring them at par with the best in the world?